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**U.S. "BUYOUT" OF NORTH KOREA'S NUCLEAR WEAPONS EFFORT:  
A BLUEPRINT OR A MISTAKE?**

**Core Course IV Essay**

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**U.S. "BUYOUT" OF NORTH KOREA'S NUCLEAR WEAPONS EFFORT:  
A BLUEPRINT OR A MISTAKE?**

Introduction

"North Korea Pact Contains U.S. Concessions--Agreement Would Allow Presence of Key Plutonium-Making Facilities for Years"--so trumpeted the headlines on the front page of *The Washington Post* on October 19, 1994 (Smith, "North"). These headlines and the accompanying article reflected negatively on an agreement concerning North Korea's nuclear program. That agreement was subsequently signed in Geneva by U.S. Ambassador-at-Large Robert Gallucci and North Korean Deputy Foreign Minister Kang Sok Ju on October 21, 1994 after 17 months of intense negotiation (Drozdzak).

These were not the only words to be published that are wary of the accord and its implications for future U.S. policy--critics decry its enforceability, potential costs, and its rewarding of North Korea for bad behavior. On the other hand, President Clinton, who announced that the deal "...will make the United States, the Korean Peninsula and the world safer" (Clinton, 2067) leads many supporters who herald the agreement.

The need to limit North Korean nuclear capability is an important issue on many levels. Whether or not North Korea either has or is close to having nuclear weapons has grave repercussions for regional stability in terms of the immediate threat to South Korea (and the United States). A nuclear armed North Korea would also upset the current regional balance in East Asia sufficiently to cause Japan, prominent among others, to

rethink its security needs. Additionally, the temptation for economically-strapped North Korea to gain hard currency through the sale of nuclear materials or weapons to currently non-nuclear states is all too real, with global consequences. While it appears obvious that denying a nuclear weapons capability to North Korea is in the United States' best interests, it is not obvious that this agreement will accomplish that feat.

Over and above North Korea's capabilities, the recent agreement has implications of its own, the most notable, in my view, being that it may set a precedent for future non-proliferation efforts. Has the U.S. sent a signal to other states with the potential to make nuclear weapons that they can bargain for great gain before agreeing to internationally accepted limits, controls, and inspections?

In this paper, I will look at this watershed accord between the U.S. and the Democratic People's Republic of Korea (DPRK); its history, its substance, and the controversy surrounding its implications. From there I will step to some thoughts on ramifications for U.S. non-proliferation policy.

### History

The North Korean nuclear program began with the Soviet-assisted construction of a 1000 kilowatt reactor in the 1950s. This was followed by a 2-4 megawatt reactor in the mid-1960s. The DPRK subsequently completed a 5 megawatt reactor in the mid-1980s and began constructing a 50-200 megawatt reactor for completion in the mid-1990s. North Korea has also constructed a

spent-fuel processing plant at Yongbyon (Wendt, 1).

North Korea signed the Nuclear Non-Proliferation Treaty (NPT) in 1985. The NPT, which has over 140 signatories:

"Obliges non-nuclear states 'such as the DPRK) to refrain from acquiring nuclear weapons and to accept IAEA (International Atomic Energy Agency) safeguards on their nuclear energy facilities. Obliges nuclear states to refrain from providing nuclear weapons to non-nuclear states...Obliges nuclear states to work toward global nuclear disarmament" (Kemp, 209).

Although Article III of the NPT requires signatories to conclude agreements with the IAEA which allow for inspection of nuclear facilities within 24 months of signing the NPT (Treaty, 179), the DPRK did not reach an inspection agreement with the IAEA until early 1992 (Solomon, 4).

The IAEA conducted six inspections of the DPRK's nuclear facilities between May 1992 and March 1993. These visits led the IAEA to suspect that North Korea was pursuing nuclear weapons development. Subsequent IAEA requests to inspect suspected nuclear-waste areas in order to resolve the issue were denied. In March 1993, the DPRK gave three months' notice that it would withdraw from the NPT in June (Wendt, 1).

The U.S. pursued intense negotiations with the DPRK in an attempt to get North Korea to comply with its obligations under the NPT. As a result, in June the DPRK agreed to "suspend" its withdrawal from the NPT, but it remained successfully resistant to IAEA inspections of the questionable activity. In effect, the DPRK held that since it had merely "suspended" its withdrawal from the NPT, it was under no legal obligation to allow the IAEA access to its facilities (Solomon, 5). It was at this point in

time that Ambassador-at-Large Gallucci began the negotiations which led to the October 1994 agreement.

Of great concern to the U.S. and the IAEA was the worst case scenario that North Korea had shut down its active reactor in 1989 for 100 days, giving it sufficient time to recover enough plutonium (after reprocessing) to construct one or two weapons (Cumings). Despite warnings, North Korea had destroyed evidence of the reactor's history in a suspected attempt to mask this activity (Lief).

The potential for a repeat existed in the Spring of 1994, when the reactor was shut down and the fuel rods were again withdrawn without international observation--making possible an undetected supply of plutonium for possible weapons use. This was done in an atmosphere of increased tensions on the Korean Peninsula and in the face of U.N.-threatened economic sanctions. It was at this point that former President Carter negotiated with the DPRK to leave the reactor shut down, commit the fuel rods to storage only, and to resume discussions with official U.S. negotiators (Smith, "U.S.").

Before I move on to particulars of the subsequent agreement, it is germane to note that North Korea had also signed a non-proliferation agreement with South Korea in December 1991. In that pact, the parties agreed to ban reprocessing facilities and to conduct mutual inspections of each other's nuclear facilities for verification purposes. Despite several meetings between the two parties, the agreement was never implemented (Wendt, 2).

It is also worth noting that during the early 1990s, North Korea was the beneficiary of several concessions by South Korea

and the United States. In particular, modest U.S. troop reductions took place on the Korean Peninsula, the annual "Team Spirit" joint South Korean-U.S. exercise was cancelled in 1992, and all nuclear weapons were withdrawn from the Korean Peninsula, the region, and the surrounding waters (Solomon, 4).

### The Agreement

Under the agreement reached in October of 1994, North Korea essentially promised to freeze its nuclear program in its current state and dismantle it over the next decade. This includes the three reactors that are complete or in progress, as well as the DPRK's fuel rod reprocessing facility. In return the United States pledged to arrange the construction of two 1,000 megawatt light-water reactors in North Korea and the shipment to the DPRK of sufficient oil to replace the energy forfeited by the freeze on its nuclear program. The U.S. also agreed to open a diplomatic liaison office in Pyongyang (Smith, "N.K.U.").

To comply with the agreement, the United States will direct (but not finance) a consortium that includes South Korea and Japan to build the nuclear reactors, worth roughly \$4 billion. The light-water reactors, which will produce only a small fraction of the plutonium the DPRK's graphite reactors would have, will be completed no sooner than 2003. The U.S. expects the roughly 500,000 tons of oil to be shipped to the DPRK annually under the agreement to be financed primarily by others (Smith, "North")

Although the agreement called for IAEA inspectors to inspect the DPRK's plants within a month of signing to ensure that the

freeze was being observed, North Korea does not have to allow inspection of its undeclared nuclear sites until "significant portions" of the two new light-water reactors are complete. This means that the suspected waste sites that would shed light on whether the DPRK currently has nuclear weapons would not be subject to inspection until after the turn of the century. Additionally, at least one of the new reactors can be completed before the DPRK must finish dismantling its nuclear facilities (Smith, "North"; Drozdiak).

#### Controversy

The predominant sentiment from those who believe that this agreement is in the United States' best interest seems to be that though not perfect, it is our best hope given the context. In addition to the President's optimism expressed above, the chief U.S. negotiator, Robert Gallucci, reportedly said "the deal represents a gamble based on hope and faith, but one worth taking compared with the risks of war or allowing North Korea to proceed unimpeded with the production of nuclear weapons" (Drozdiak). According to Paul Levanthall, president of the Nuclear Control Institute, the deal "is probably the best that could be achieved under very difficult circumstances" ("New").

The thrust of the argument is that if the DPRK did not already have nuclear weapons to use or sell, it was certainly on the threshold of possession. Additionally, it had not responded to international pressure to curtail its activities, and due to the dismal state of its economy as well as its isolated position vis-a-vis the rest of the world, it was not susceptible to



economic sanctions. Furthermore, its potent military capability with or without nuclear weapons and the perceived propensity to unleash it mitigated against continued pressure against the regime (Matnews).

Critics of the accord point to the fact that the DPRK has gained expensive hardware, energy, and technology, and now has access to markets and diplomatic legitimacy that it did not enjoy before. This did not come as a result of being a model member of the international community. As former national security advisor Richard V. Allen summed it up:

"Over the past two years Pyonyang has concluded nuclear agreements with both the IAEA and Seoul that it has failed to fulfill. Now the Clinton administration has offered it attractive economic and political benefits and granted the North up to 10 years to fulfill pledges it already has refused to honor" (Allen).

Although proponents of the agreement point to the fact that the transfer of goods to the DPRK can be stopped if the DPRK is found to be violating any tenets of the pact, non-compliance has been hard to detect under similar regimes, and in large part under this agreement, inspection is not allowed until substantial transfers have already taken place. Senator McCain has labeled this problem as "The foolish time lags between North Korea's receipt of the benefits of this agreement and the points at which they're required to prove their good faith" (Security, 3).

Many of those opposed to the agreement would second Senator Dole's words: "The accord...shows it is always possible to get an agreement when you give enough away." He also charged that long-term strategic considerations may have "taken a back seat to the drive to make a short-term deal" (Smith, "N.K.A.").

One of the "long-term strategic considerations" would have to be the incentive that this agreement seems to provide for any other would-be nuclear powers. North Korea seems to have proven that by breaking international agreements and developing a threatening capability and posture, a state can extort legitimacy and economic concessions from the world's superpower.

Along these lines, David A. Kay, former Chief Evaluation Officer for the IAEA, argues that North Korea has successfully deterred the U.S. from taking appropriate action. The U.S. has not treated the DPRK as a treaty signatory with an obligation, but as if the U.S. purpose is to avoid confrontation on the Korean Peninsula. His conclusion--"We've already shown that we treat them differently because they may have nuclear weapons. I think that is a lesson we have not yet fully absorbed. But I suspect a lot of other countries have" (Kay, 5).

#### Implications for Non-Proliferation Policy

The preponderance of evidence supports the conclusion that the U.S. blatantly "bought out" the North Korean nuclear program based on a fixed-focus, cost-benefit analysis. Whether this was a mistake in this particular case will be determined by time. However, the issue of whether this was a mistake in the larger scheme or should be used as a blueprint for dealing with other potential nuclear states can only be decided after looking at broader policy goals and non-proliferation strategies.

U.S. non-proliferation policy can roughly be divided into areas of export control, improvement in the NPT regime and its associated controls, intelligence collection and analysis, and

diplomatic, economic, and military pressure (Graham, 259). By assessing the ramifications of the U.S.-North Korean agreement against these four areas, we may determine its implications for U.S. policy.

In my view, the only one of these areas that is not significantly affected by the buyout of the DPRK program is intelligence collection and analysis. While a very important function, neither the U.S. requirement nor the U.S. ability to perform the intelligence function will be altered.

The other three areas are coercive in nature. If a state doesn't desire to proliferate nuclear capabilities, the non-proliferation pillars of controls, treaties, and pressure become moot. But if the opposite is true, coercive tools are the means of control. The agreement with the DPRK undermines the credibility that is necessary for coercive tools to work.

Export controls work either because the entities involved realize intrinsic benefit from them or because enforcement measures serve as deterrents. Global export control regimes have been damaged because the U.S. has demonstrated through this agreement that it will not hold nations accountable for infractions of international agreements--the deterrent has faded.

Even more directly and quite obviously, the Nuclear Non-Proliferation Treaty has been weakened by the U.S. failure to ensure its enforcement. The DPRK has not been punished for violating the treaty, but has been rewarded in many ways.

Various diplomatic, economic, and military pressures were either not used or were used insufficiently or inappropriately in the runup to this agreement. Although there are certainly

mitigating circumstances, the fact that the DPRK realized large concessions rather than punishment from the world's superpower is evidence of this. The ability of an economically weak, treaty-flaunting, international pariah to extract a favorable agreement from the U.S. may not be lost on others such as Iran or Libya.

### Conclusion and Recommendations

In the October 1994 agreement with North Korea concerning its nuclear program, the U.S. elected to use the "carrot" rather than the "stick" approach. Whether this is a mistake in the narrow sense of that agreement will only be revealed through time as the DPRK either honors the accord or violates it--as it has done with similar agreements in the near past.

In a larger sense, this agreement was a mistake--it has harmed the future of non-proliferation efforts. By granting concessions to a treaty violator in an attempt to gain compliance with the intent of that very treaty, the U.S. has set a dangerous precedent. The international community is ill-served by undermining enforcement actions in favor of incentives. This is not to say that economic and diplomatic incentives do not have a place in national security strategy, only that that place is not at the feet of an unrepentant violator of international norms. This agreement should not be used by the U.S. as a blueprint for dealing with states who may develop nuclear programs. We can only hope that such states will not use the North Korean experience as a blueprint for dealing with us.

In a post-cold war world with rapidly changing power centers, there is increased incentive and opportunity for weapons

proliferation of all types, but especially weapons of mass destruction. In this environment, it is paramount that the United States make more robust, not undermine, the policy tools available to control proliferation. Export controls, NPT (and other non-proliferation protocols) acceptance and enforcement, and the full range of incentives (and sanctions) must be supported, enlarged, and used to uphold international norms for the benefit of the world community and, not incidentally, for the benefit of the United States.

In this light, it is essential that the U.S. look for opportunities to minimize the impression that it has embarked on a new strategy of appeasement. Its efforts and rhetoric should show strength and a clear resolve to enforce proper standards of international behavior. In the short term this is often not the most popular nor painless option, but in the long term it is essential. Only through the strength and vision resident in, and expected of, a superpower can the international community be kept free from being hostage to every rogue state with a weapon and an agenda.

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